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HOUSE BILL 1599

State of Washington 65th Legislature 2017 Regular Session

By Representatives Farrell, Vick, and Sawyer

- 1 AN ACT Relating to authorizing licensed spirits and wine 2 distributors to sell spirits and wine products to their employees in
- 3 certain circumstances; and adding a new section to chapter 66.28 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 66.28 6 RCW to read as follows:
- 7 (1) A person holding a spirits distributor license issued 8 pursuant to RCW 66.24.055 may sell spirits directly to bona fide, 9 full-time employees, subject to the following requirements:
 - (a) No spirits may be sold under this section unless they are in such condition that they cannot reasonably be sold in the normal course of business, such as, for example, because of damage to the labels on individual bottles;
- 14 (b) No spirits may be sold under this section for less than the spirits distributor licensee's cost of acquisition;
- 16 (c) All sales of spirits made under this section are subject to
 17 the distributor license issuance fee established by RCW 66.24.055(3),
 18 and subject to the same taxes that would be applicable if the sale
 19 were made to a person holding a spirits, beer, and wine restaurant
 20 license issued pursuant to RCW 66.24.400 or another retail license
- 21 allowing sales of spirits for on-premises consumption;

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- 1 (d) No spirits may be sold under this section to a person who has 2 been employed by the spirits distributor licensee for less than 3 ninety days at the time of the sale or who is under the age of 4 twenty-one;
- (e) No person purchasing spirits under this section may sell such spirits by the drink or otherwise to a third person, or otherwise dispose of all or any part of such spirits in any manner or for any purpose other than personal use; and
- 9 (f) No spirits may be sold under this section by a person holding 10 any license other than a spirits distributor license, whether or not 11 the license held by such person permits the sale of spirits to 12 consumers.
- 13 (2) A person holding a wine distributor license issued pursuant 14 to RCW 66.24.200 may sell wine directly to bona fide, full-time 15 employees, subject to the following requirements:

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- (a) No wine may be sold under this section unless it is in such condition that it cannot reasonably be sold in the normal course of business, such as, for example, because of damage to the labels on individual bottles;
- 20 (b) No wine may be sold under this section for less than the wine distributor licensee's cost of acquisition;
 - (c) All sales of wine made under this section are subject to the same taxes that would be applicable if the sale were made to a person holding a spirits, beer, and wine restaurant license issued pursuant to RCW 66.24.400 or another retail license allowing sales of wine for on-premises consumption;
 - (d) No wine may be sold under this section to a person who has been employed by the wine distributor licensee for less than ninety days at the time of the sale or who is under the age of twenty-one;
 - (e) No person purchasing wine under this section may sell such wine by the glass or otherwise to a third person, or otherwise dispose of all or any part of such wine in any manner or for any purpose other than personal use; and
- 34 (f) No wine may be sold under this section by a person holding 35 any license other than a wine distributor license, whether or not the 36 license held by such person permits the sale of wine to consumers.

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